



## CONNECTICUT

**TESTIMONY OF  
NATIONAL FEDERATION OF INDEPENDENT BUSINESS (NFIB)  
BY  
ANDY MARKOWSKI, CONNECTICUT STATE DIRECTOR  
REGARDING**

**HB-6568, AAC PENALTY WAIVERS AND OTHER REVISIONS TO TITLE 12;  
SB-1053, AAC EXPANDED ELIGIBILITY FOR APPRENTICESHIP TRAINING TAX  
CREDITS;  
SB-1055, AAC VARIOUS TAX CREDITS AND AN EXEMPTION TO, AND STUDY OF, THE  
INCOME TAX**

**FINANCE, REVENUE & BONDING COMMITTEE  
MARCH 11, 2013**

*A non-profit, non-partisan organization founded in 1943, NFIB is Connecticut's and the nation's leading small-business association. In Connecticut, NFIB represents thousands of members and their employees. NFIB membership is scattered across the state and ranges from sophisticated high technology enterprises to "Main Street" small businesses to single-person "Mom & Pop" shops that operate in traditional ways. NFIB's mission is "To promote and protect the right of its members to own, operate, and grow their businesses." On behalf of those small- and independent- job-providers in Connecticut, I offer the following comments:*

NFIB/Connecticut supports Section 1 of HB-6568, AAC Penalty Waivers and Other Revisions to Title 12. This common-sense change would improve the efficiency of the Department of Revenue Services and benefit many small business men and women by allowing the Commissioner to waive any penalty of \$1,000 or less on his own discretion and authority without the need for action by the Penalty Review Committee. Passage of this legislation will go a long way toward ensuring a better regulatory environment and a better working relationship between state agencies and small businesses in Connecticut, the majority of whom want to do the "right thing" and quickly remediate any inadvertent noncompliance. Passage of this legislation will certainly help foster a more business-friendly reputation for the state of Connecticut and its administrative agencies. Allowing for waivers of fines and penalties by the Commissioner when appropriate as contemplated in Section 1 of this bill is a reasonable approach that would help provide some much needed balance between the regulators and the regulated community; small businesses in particular.



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NFIB/Connecticut supports SB-1053, AAC Expanded Eligibility For Apprenticeship Training Tax Credits. Many small businesses owners, including those in the construction trades, prefer to operate their businesses as “pass through” entities, i.e. sub-chapter S corporations, Limited Liability Companies, etc. The traditional “corporation” (i.e. C-corps) is quickly becoming a thing of the past, especially in the small business sector. Good tax policy dictates that tax credits for apprenticeship training should be available to all corporate entities, not just limited to a select few.

Regarding Section 9 of SB-1055, AAC Various Tax Credits and an Exemption to, and Study of, the Income Tax, to the extent that federal net income is to be defined as after tax income, NFIB would support this study as that may be a better base for state income tax purposes. In addition, NFIB/Connecticut supports Section 5 of this bill, which would expand the dollar amount for apprenticeship training tax credits. Taken in conjunction with SB-1053, this is pro-growth, good tax policy that will result in improved workforce development and will treat all small businesses in the construction trades equally, regardless of corporate form.

Thank you for your consideration of our comments.